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Message Text

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CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 OES-06 SP-02
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O R 102130Z MAR 77
FM AMEMBASSY BRASILIA
TO SECSTATE WASHDC IMMEDIATE 476
AMEMBASSY BONN IMMEDIATE
INFO AMEMBASSY BUENOS AIRES
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E.O. 11652: GDS
TAGS: TECH, ENRG, PARM, BR, GW
SUBJ: BRAZILIAN GOVERNMENT STATEMENT ON THE NUCLEAR QUESTION

1. SUMMARY. PRESIDENT GEISEL HAS ISSUED A STATEMENT WHICH REAFFIRMS THE GOB'S STEADFAST VIEWS ON NUCLEAR POLICY. KEY ASPECTS OF THE STATEMENT, ARE: (A) THE QUESTION OF ADDITIONAL SAFEGUARDS, WAS NOT RAISED, (B) THE PLACEMENT OF ENRICHMENT AND REPROCESSING FACILITIES ON BRAZILIAN SOIL WAS STRESSED, AND (C) THERE WERE TWO WARNINGS -- THE FRG-GOB AGREEMENT IS ALL OR NOTHING, AND A LACK OF EQUITABLE INTERNATIONAL NUCLEAR COOPERATION
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COULD FRUSTRATE ARMS NONPROLIFERATION OBJECTIVES BY STIMULATING THE DEVELOPMENT OF UNSAFEGUARDED NUCLEAR TECHNOLOGY.
END SUMMARY.

2. ON MARCH 10, PRESIDENT GIESEL RELEASED A WRITTEN STATEMENT WHICH HE SAID WAS "AIMED AT FURNISHING PUBLIC CLARIFICATION ABOUT THE 'BRAZILIAN NUCLEAR PROGRAM," WHICH COUNTS

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ON THE UNANIMOUS SUPPORT OF NATIONAL WILL, AND (WHICH)
IS BASED ON OUR OWN EFFORT, JOINED WITH EXTERNAL CO-
OPERATION, AND ON THE ACCEPTANCE OF SAFEGUARDS, WHICH
GUARANTEE (THE PROGRAM'S) STRICTLY PEACEFUL APPLICA-
TION."

3. THE 115-PAGE STATEMENT CONTAINS 23 PAGES OF NAR-
RATIVE IN FOUR CHAPTERS, AND ANNEXES CON-
TAINING THE TEXTS OF: (1) GOB/FRG AGREEMENT, (2) GOB/
FRG/IAEA AGREEMENT, (3) IAEA STATUTE, (4) TLATELOLCO
TREATY AND (5) NPT. SUMMARY OF THE NARRA-
TIVE FOLLOWS:

4. CHAPTER 1 -- BRAZIL'S ENERGY PROGLEM: THE NECESSITY
OF THE NUCLEAR OPTION.
THIS CHAPTER CONTAINS WELL-KNOWN GOB ARGUMENTS, WITH
EMPHASIS ON THE QUESTION OF VULNERABILITY TO EXTERNAL
FUEL SOURCES, INCLUDING DEPENDENCE ON DECISIONS BY
THIRD COUNTRIES ON PRICES AND SUPPLIES. FOR THIS
REASON AND BECAUSE OF THE MAGNITUDE OF THE ENERGY PROBLEM IN
BRAZIL'S DEVELOPMENT, AND THE EXISTANCE IN BRAZIL OF APPRECIABLE
URANIUM RESERVES (SIC) AND PROMISING GEOLOGICAL INDI-
CATIONS OF MORE, "BRAZIL CANNOT BE DENIED THE RIGHT TO
ENRIGH URANIUM IN ITS OWN TERRITORY IN ORDER TO ASSURE
DOMESTIC SUPPLY. BESIDES THE INDISPENSABLE AUTONOMY,
THIS SOLUTION WILL PERMIT BRAZIL TO REALIZE SUBSTANTIAL
FOREIGN EXCHANGE ECONOMIES.." THE "SAME RATIONALE" APPLIES TO
REPROCESSING. THE REUTILIZATION OF URANIUM AND PLUTONIUM IN
MIXED OXIDE FUEL "OUGHT TO FURNISH A SUBSTANTIAL ECONOMY IN
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URANIUM ORE AND ENRICHMENT SERVICES, ASIDE FROM SAVING ON
PLUTONIUM STORAGE COSTS."
(COMMENT. PRESUMABLY THE LAST PASSAGE REFERS TO COSTS
OF STORING UNREPROCESSED SPENT FUEL.) " ACCORDING
TO RECENT ERDA CALCULATIONS, THE ECONOMY OF URANIUM ORE
RESULTING FROM THIS REUTILIZATION IS ON THE ORDER OF 26 PERCENT."
THE CHAPTER CLOSED BY COMMENTING THAT THE "HEAVY BURDEN"
TO THE BALANCE-OF-PAYMENTS OF IMPORTING NUCLEAR FUEL, GIVEN THE
BEHAVIOR OF EXPORTS UNDER (VARIOUS) POSSIBLE OUTLOOKS
FOR THE INTERNATIONAL ECONOMY, COULD BECOME "IMPOSSIBLE
TO ASSUME."

5. CHAPTER 2 -- THE AGREEMENT FOR COOPERATION IN THE
FIELD OF THE PEACEFUL USES OF NUCLEAR ENERGY BETWEEN
BRAZIL AND THE FEDERAL REPUBLIC OF GERMANY.
CHAPTER 2 CONTAINS AN OUTLINE OF THE PARTS OF THE
AGREEMENT, INCLUDING CONDITIONS, SUCH AS NO PNE'S,
CONSENT OF FRG ON RE-EXPORT OF SENSITIVE TECHNOLOGIES
OR MATERIALS, AND OTHER WELL-KNOWN PROVISIONS. IT IS

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STATED THAT THE AGREEMENT IS IN THE PROCESS OF FULL
EXECUTION. THE CHAPTER CLOSES WITH : "THE AGREEMENT WITH
THE FRG AND ITS COMPLEMENTARY INSTRUMENTS ARE ESSENTIAL
TO THE BRAZILIAN NUCLEAR PROGRAM. THEY CONSTITUTE A
WHOLE AND THEY CANNOT BE DISENGATED FROM ANY OF THEIR IN-
TERDEPENDENT AND COMPLEMENTARY PARTS. THEY ARE AIMED
EXCLUSIVELY AT PEACEFUL ENDS AND THEY OFFER FULL GUARANTY
THAT THEY WILL BE DEVOTED TO THE NON-PROLIFERATION OF NUCLEAR
ARMS."

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6. CHAPTER 3 -- THE APPLICATION OF INTERNATIONAL
SAFEGUARDS.
THIS CHAPTER DESCRIBES THE PRINCIPAL SAFEGUARDS IN THE
GOB/FRG/IAEA AGREEMENT, EXPLAINS THE IAEA'S SAFEGUARDS
ROLE, AND MAKES TWO OFTEN-HEARD POINTS: (A) THE INTER-
NATIONAL COMMUNITY, INCLUDING NUCLEAR SUPPLIERS,
APPROVED THE SAFEGUARDS AGREEMENT AND THEREBY ENDORSED

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BRAZILIAN-GERMAN PEACEFUL NUCLEAR COOPERATION; AND
(B) THE SAFEGUARDS AGREEMENT HAS A SYSTEM OF CONTROL
THAT EXCEEDS THE SAFEGUARDS REQUIREMENTS OF THE NPT.

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7. CHAPTER 4 -- BRAZIL AND THE NON-PROLIFERATION OF
NUCLEAR ARMS.
THE CHAPTER OPENS BY OBSERVING THAT BRAZIL IS A PEACEFUL
NATION, ITS PEOPLE LIVE IN HARMONY WITH ITS NEIGHBORS,
BRAZIL HARBORS NO AMBITION OF EXPANSION OR HEGEMONY,
AND BRAZIL'S DOMINANT CONCERN IS WITH ECONOMIC AND SOCIAL
DEVELOPMENT. THE SECOND PARAGRAPH CRITICIZES THE
ARMS RACE, SAYS BRAZIL FAVORS NUCLEAR DISARMAMENT, AND
ASSERTS THAT THE ARMS RACE, OWING TO THE IMMENSE
TECHNOLOGICAL DIFFERENCES BETWEEN NATIONS, TENDS TO
FAVOR FORMS OF POLITICAL DOMINATION BETWEEN PEOPLES,
WHICH REPRESENTS RETROGRESSION IN RELATION TO THE
PRINCIPLES AND PURPOSES OF THE UN CHARTER.

8. CHAPTER 4 THEN LISTS THE PRINCIPAL ARMS CONTROL
AND NON-PROLIFERATION AGREEMENTS CONCLUDED SINCE 1958,
INCLUDING TLATELOLCO, AND SAYS BRAZIL HAS "SIGNED" ALL
EXCEPT THE NPT, WHICH IS DISCRIMINATORY. BRAZIL'S WELL-
KNOWN ARGUMENTS AGAINST THE NPT ARE SUMMARIZED. IT IS
STATED THAT BRAZIL IS "PARTY" TO THE TLATELOLCO TREATY,
BUT THE "FULL ENTRANCE INTO FORCE OF THE TREATY DEPENDS
ON THE ACCESSION OF NUCLEAR POWERS TO ADDITIONAL PROTO-
COLS 1 AND 2. BRAZIL, WHICH SIGNED THE TREATY, HAS,
IN ACCORDANCE WITH THE NORMS OF INTERNATIONAL LAW,
PLEDGED NOT UNDERTAKE ACTS THAT WOULD FRUSTRATE THE
OBJECTIVES OF THE TREATY..."

9. "THE IDEAL DIRECTION FOR NON-PROLIFERATION IS TO
IMPEDE THE DISSEMINATION OF NUCLEAR ARMS AND NOT THE
DIFFUSION OF NUCLEAR TECHNOLOGY FOR THE BENEFIT OF
HUMANITY. ACCESS TO TECHNOLOGY FOR PEACEFUL USES OF
NUCLEAR ENERGY, UNDER ADEQUATE CONTROLS, OUGHT NOT TO
BE SUBJECT TO DISCRIMINATORY RESTRICTIONS, WHETHER
BETWEEN MULITARILY NUCLEAR COUNTRIES OF MILITARILY
NON-NUCLEAR COUNTRIES." IT IS ARGUED FURTHER-
MORE THAT THE NPT DOES NOT POSE OBSTACLES TO NUCLEAR CO-
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OPERATION THAT IS PLACED UNDER SAFEGUARDS.

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10. THE NARRATIVE SECTION CLOSES WITH A FINAL PARAGRAPH: "BRAZIL IS VERY CONCERNED THAT THE PROGRESSIVE RESTRICTION OF INTERNATIONAL COOPERATION WILL FRUSTRATE THE EXPECTATIONS OF THE COUNTRIES THAT UTILIZE THIS MEANS TO ACHIEVE THEIR LEGITIMATE ASPIRATIONS IN THE NUCLEAR FIELD. THE LACK OF INTERNATIONAL COOPERATION, ON EQUITABLE BASES, CAN FRUSTRATE THE OBJECTIVES OF UNIVERSAL NON-PROLIFERATION OF NUCLEAR ARMS BY STIMULATING THE DEVELOPMENT OF NUCLEAR TECHNOLOGY OUTSIDE SAFEGUARDS SYSTEMS. AS BRAZIL'S OWN NUCLEAR PROGRAM DEMONSTRATES, BRAZIL IS CONVINCED THAT INTERNATIONAL COOPERATION IS THE BEST WAY TO ASSURE, AT THE SAME TIME, THE OBJECTIVES OF THE DEVELOPMENT OF NUCLEAR ENERGY FOR PEACEFUL PURPOSES AND OF THE NON-PROLIFERATION OF NUCLEAR ARMS. FOR THIS REASON, BRAZIL INTENDS INTEGRALLY TO MOVE FORWARD ON ITS PROGRAM AND FULLY TO EXECUTE" THE FRG/GOB AND FRG/GOB/IAEA AGREEMENTS. CRIMMINS

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Message Attributes

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Channel Indicators: n/a
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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRASIL01898
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770375/aaaacnov.tel
Line Count: 242
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
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Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3154496
Secure: OPEN
Status: NATIVE
Subject: BRAZILIAN GOVERNMENT STATEMENT ON THE NUCLEAR QUESTION
TAGS: TECH, ENRG, PARM, BR, GE
To: STATE BONN
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/8fb7d1ba-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009